Datuk Ooi Han Eng & Anor v Soh Huang Siah (carrying on business through an organisation known as Alaric's Productions Co)

COURT OF APPEAL (PUTRAJAYA) — CIVIL APPEAL NO W-02–937 OF 2008
ZALEHA ZAHARI, ABU SAMAH AND MOHD HISHAMUDIN JJCA
13 AUGUST 2009

Civil Procedure — Appeal — Striking out — Application to strike out writ of summons and statement of claim allowed — Appeal against decision — Whether plaintiffs estopped from commencing instant writ action against defendant by reason of res judicata in light of first plaintiff's earlier originating summons action against defendant — Rules of the High Court 1980 O 18 r 19

On 22 November 2007, the first plaintiff commenced an action against the defendant vide an originating summons. In his originating summons action the first plaintiff claimed that he was the first person to organise a local beauty competition called Miss Malaysia Tourism since 1994 and that since 1994 the trademark titles of 'Miss Malaysia Tourism' and 'Miss Tourism International' ('the trademark titles') belonged to him, having been used every year in competitions organised by the first plaintiff. The first plaintiff therefore sought to restrain the defendant from using the titles 'Miss Malaysia Tourism' and 'Miss Tourism International' in a competition organised by the defendant and scheduled to be held on 22 November 2007. This originating summons action against the defendant was dismissed with costs on 7 December 2007. Then on 28 December 2007, the first plaintiff commenced the present writ action against the defendant. In this writ action the second plaintiff, a company owned by the first plaintiff to organise the Miss Malaysia Tourism and Miss Tourism International beauty pageants was brought in by the first plaintiff as a nominal co-plaintiff. In his statement of claim the first plaintiff again claimed that he had been using the trademarks 'Miss Malaysia Tourism' and 'Miss Tourism International' since 1994; that he had organised beauty pageants since 1994 to 2005/2006; that the trademarks 'Miss Malaysia Tourism' and 'Miss Tourism International' belonged to him and that the defendant in holding the Miss Tourism Pageant 2007 had committed an act of passing off the first plaintiff's trademark titles. The defendant applied to strike out the plaintiffs' writ of summons and statement of claim pursuant to O 18 r 19 (1) of the Rules of the High Court 1980 on the grounds that the plaintiffs were estopped from commencing the instant writ action against the defendant by reason of res judicata in the light of the first plaintiff's originating summons action against the defendant; and that the first plaintiff did not have exclusive right to the usage of the words 'Miss Malaysia', 'Tourism' and 'International'. In opposing

the O 18 r 19 application the plaintiffs submitted that in the originating summons application the first plaintiff had prayed for injunctions but that in the writ action, which contained additional prayers, the plaintiffs had sought declarations pertaining to the ownership of the titles. The application to strike out was heard by the same High Court judge who heard the originating summons action. The judge held that the principle of res judicata applied and that the plaintiffs were stopped from instituting the present writ action which was frivolous, vexatious and an abuse of the process of the court. The judge also held that the first plaintiff could and should have sought the declarations pertaining to the ownership of the titles in his earlier originating summons action. This was the plaintiffs' appeal against that decision. The plaintiffs submitted that the injunction application vide the originating summons was interlocutory in nature and that the decision of the court in that action was also interlocutory. As such the plaintiffs argued that the principle of res judicata did not apply to the present writ action.

Held, dismissing the appeal:

(1) The basic position taken by the plaintiffs in the present writ action was the same as that taken by the first plaintiff in the previous originating summons ie that the trademark titles belong to him. The averments in the affidavit supporting the earlier originating summons action and the averments in the statement of claim of the present writ action are substantially the same. As such, the issues pertaining to the ownership of titles could have been raised by the first plaintiff in the earlier originating summons proceeding and they ought to have been so raised. By reason of res judicata they could no longer be raised by the plaintiffs in the present writ action. Thus, the present writ action was frivolous, vexatious and an abuse of the process of the court on this ground alone and there is no need to consider the second ground advanced by the defendant in his O 18 r 19 application (see paras 4 & 14).

(2) The plaintiffs' submission that the decision of the court in the originating summons action was interlocutory in nature and that as such the principle of res judicata did not apply to the present writ action, cannot be factually true or legally right. As originating summons is an originating process like a writ action and could not be utilised as an interlocutory application. Further, there was nothing in the prayers that the injunction sought in the originating summons action was interlocutory in nature pending disposal of a main action (see paras 19–20).

(3) The fact that the first plaintiff had filed a summons in chambers application, on the same day as the originating summons action, wherein he applied for the same injunctions as in the originating summons action showed that the summons in chambers was an interlocutory application.

A As such the first plaintiff could not have intended the originating summons to be interlocutory as well (see para 21).

[Bahasa Malaysia summary

Pada 22 November 2007, plaintif pertama telah memulakan tindakan terhadap defendan melalui saman pemula. Dalam saman pemulanya plaintif pertama mendakwa bahawa dialah orang pertama yang menganjurkan pertandingan ratu cantik tempatan dipanggil Miss Malaysia Tourism sejak tahun 1994 dan bahawa sejak tahun 1994 gelaran-gelaran tanda dagangan 'Miss Malaysia Tourism' dan 'Miss Tourism International' ('gelaran tanda dagangan tersebut') adalah miliknya kerana telah menggunakannya setiap tahun dalam pertandingan-pertandingan yang dianjurkan oleh plaintif pertama. Plaintif pertama dengan itu memohon untuk menyekat defendan daripada menggunakan gelaran-gelaran 'Miss Malaysia Tourism' dan 'Miss Tourism International' dalam pertandingan yang dianjurkan oleh defendan dan dijadualkan untuk diadakan pada 22 November 2007. Tindakan saman pemula ini terhadap defendan telah ditolak dengan kos pada 7 Disember 2007. Maka pada 28 Disember 2007, plaintif pertama telah memulakan tindakan writ ini terhadap defendan. Dalam tindakan writ ini plaintif kedua, sebuah syarikat yang dimiliki oleh plaintif pertama untuk menganjurkan pertandingan ratu cantik Miss Malaysia Tourism dan Miss Tourism International telah dimasukkan oleh plaintif pertama sebagai plaintif nominal bersama. Dalam penyataan tuntutan plaintif pertama sekali lagi mendakwa bahawa dia telah menggunakan tanda dagangan 'Miss Malaysia Tourism' dan 'Miss Tourism International' sejak tahun 1994; bahawa dia telah menganjurkan pertandingan ratu cantik tersebut sejak tahun 1994 hingga tahun 2005/2006; bahawa tanda dagangan 'Miss Malaysia Tourism' dan 'Miss Tourism International' adalah miliknya dan bahawa defendan yang mengadakan Miss Tourism Pageant 2007 telah melakukan tindakan kelirupaan gelaran tanda dagangan plaintif pertama. Defendan telah memohon untuk membatalkan writ saman dan penyataan tuntutan plaintif-plaintif menurut A 18 k 19(1) Kaedah-Kaedah Mahkamah Tinggi 1980 atas alasan-alasan bahawa plaintif-plaintif telah diestop daripada memulakan tindakan writ ini terhadap defendan oleh sebab res judicata berdasarkan tindakan saman pemula plaintif pertama terhadap defendan; dan bahawa plaintif pertama tidak mempunyai hak eksklusif terhadap penggunaan perkataan-perkataan 'Miss Malaysia', 'Tourism' dan 'International'. Dalam membantah permohonan A 18 k 19 plaintif-plaintif berhujah bahawa dalam permohonan saman pemula itu plaintif pertama telah memohon untuk injunksi-injunksi tetapi dalam tindakan writ, yang mengandungi permohonan tambahan, plaintif-plaintif telah memohon deklarasi berkaitan pemilikan gelaran-gelaran tersebut. Permohonan pembatalan itu telah didengar oleh hakim Mahkamah Tinggi yang sama mendengar tindakan saman pemula. Hakim itu telah memutuskan bahawa prinsip-prinsip res judicata terpakai dan bahawa plaintif-plaintif telah dihalang daripada memulakan tindakan writ ini

yang remeh, menyusahkan dan merupakan penyalahgunaan proses mahkamah. Hakim itu juga telah memutuskan bahawa plaintif pertama boleh dan patut memohon deklarasi-deklarasi berkaitan pemilikan gelaran-gelaran tersebut dalam tindakan saman pemula yang lebih dahulu. Ini adalah rayuan plaintif-plaintif terhadap keputusan tersebut. Plaintif-plaintif telah berhujah bahawa permohonan injunksi melalui saman pemula bersifat interlokutori dan bahawa keputusan mahkamah dalam tindakan tersebut adalah juga interlokutori. Oleh itu plaintif-plaintif berhujah bahawa prinsip-prinsip res judicata tidak terpakai dalam tindakan writ ini.

Diputuskan, menolak rayuan:

(1) Kedudukan asas yang diambil oleh plaintif-plaintif dalam tindakan writ ini adalah sama dengan yang telah diambil oleh plaintif pertama dalam saman pemula sebelum ini iaitu bahawa gelaran-gelaran tanda dagangan adalah miliknya. Penegasan-penegasan dalam afidavit yang menyokong tindakan saman pemula yang lebih dahulu itu dengan penegasan-penegasan dalam penyataan tuntutan kepada tindakan writ ini adalah sama. Oleh itu, isu-isu berkaitan pemilikan gelaran-gelaran mungkin boleh ditimbulkan oleh plaintif pertama dalam prosiding saman pemula sebelum itu dan ia patut telah dibangkitkan. Oleh sebab res judicata ia tidak lagi dibangkitkan oleh plaintif-plaintif dalam tindakan writ ini. Dengan itu, tindakan writ ini adalah remeh, menyusahkan dan satu penyalahgunaan proses mahkamah atas alasan ini sahaja dan tiada keperluan untuk mempertimbangkan alasan kedua yang dikemukakan oleh defendan dalam permohonannya di bawah A 18 k 19 (lihat perenggan 4 & 14).

(2) Hujahan plaintif-plaintif bahawa keputusan mahkamah dalam tindakan saman pemula bersifat interlokutori dan bahawa dengan itu prinsip res judicata tidak terpakai kepada tindakan writ ini, tidak benar secara faktual atau sebenarnya sah. Oleh sebab saman pemula adalah proses pemula seperti tindakan writ dan tidak boleh digunakan sebagai permohonan interlokutori. Bahkan tiada apa-apa dalam permohonan bahawa injunksi yang dipohon dalam tindakan saman pemula bersifat interlokutori sementara menunggu tindakan utama selesai (lihat perenggan 19–20).

(3) Hakikat bahawa plaintif pertama telah memfailkan permohonan saman dalam kamar, pada hari yang sama dengan tindakan saman pemula, di mana dia memohon untuk injunksi-injunksi yang sama seperti dalam tindakan saman pemula bahawa saman dalam kamar itu adalah permohonan interlokutori. Oleh itu plaintif pertama tidak mungkin berniat yang saman pemula itu bersifat interlokutori juga (lihat perenggan 21).]

Notes

For cases on striking out, see 2 *Malall's Digest* (4th Ed, 2007 Reissue) paras 1498–1508.

Cases referred to

Asia Commercial Finance (M) Bhd v Kawal Teliti Sdn Bhd [1995] 3 MLJ 189; [1995] 3 CLJ 783, SC (refd)

Government of Malaysia v Dato Chong Kok Lim [1973] 2 MLJ 74, HC (refd)

Henderson v Henderson (1843) 67 ER 313 (refd)

Tenaga Nasional Bhd v Prorak Sdn Bhd & Anor [2000] 1 MLJ 479; [2000] 1 CLJ 553, CA (refd)

Legislation referred to

Rules of the High Court 1980 O 18 r 19, O 18 r 19(1)(b), (c), (d)

Appeal from: Civil Suit No 22–1735 of 2007 (High Court, Kuala Lumpur)

Manpal Singh (Manjit Singh Sachdev, Mohammad Radzi & Partners) for the appellants.

Chee Yok Yung (Shatar Tan & Chee) for the respondent.

Mohd Hishamudin JCA (delivering judgment of the court):

[1] This is an appeal against an interlocutory decision of the learned judge of the High Court (Commercial Division) of Kuala Lumpur who, on 22 July 2008, had allowed the respondent's (Soh Huang Siah, the defendant/applicant at the interlocutory proceedings before the High Court) application to strike out the appellants' (Datuk Ooi Han Eng and D'Touch Promotion Sdn Bhd, the plaintiffs/respondents at the interlocutory proceedings before the High Court) writ of summons and statement of claim ('the present writ action') pursuant to paras (b), (c) and (d) of sub-r (1) of r 19 of O 18 of the Rules of the High Court 1980.

[2] The O 18 r 19 application before the learned High Court judge was based on two grounds, namely:

(a) that the plaintiffs were estopped from commencing the present writ action against the defendant by reason of the principle of res judicata in the light of the first plaintiff's previous originating summons action against the defendant; and

(b) that the first plaintiff's application for the registration of the title 'Miss Malaysia Tourism' and 'Miss Tourism International', which has been granted by the Intellectual Property Corporation of Malaysia

(Perbadanan Harta Intelek Malaysia) to the first plaintiff, was without exclusive right to the usage of the words 'Miss Malaysia', 'Tourism' and 'International'.

[3] We have dismissed the appeal on 13 August 2009. We now give our grounds.

[4] We agree with the learned High Court judge that, in the light of the first plaintiff's earlier originating summons action filed in the High Court (Commercial Division) of Kuala Lumpur, which had been heard and disposed of by the same learned judge, the principle of res judicata applies, and hence the plaintiffs are estopped from instituting the present writ action against the defendant; and that the present writ action is frivolous, vexatious and an abuse of the process of court. We consider that on this ground alone it is sufficient for us to dispose of this appeal, and that there is no need for us to consider the second ground advanced by the defendant in his O 18 r 19 application.

[5] We shall now elaborate our grounds.

[6] The present writ action was filed on 28 December 2007. According to para 2 of the statement of claim, the second plaintiff is a company 'owned by the First Plaintiff to organize the Miss Malaysia Tourism, Miss Malaysia Pageant and Miss Tourism International beauty pageants'. It is not clear from the statement of claim as to the second plaintiff's cause of action against the defendant. It would appear that in the present writ action the second plaintiff has been brought in by the first plaintiff merely as a nominal co-plaintiff.

[7] The second plaintiff in the present writ action is not a party in the previous originating summons action.

[8] Earlier on, the first plaintiff had on 22 November 2007 commenced in the High Court of Kuala Lumpur (Commercial Division) an action against the defendant vide an Originating Summons No D5-(IP)-24–348 of 2007. By this originating summons action, the first plaintiff in the present writ action (being the sole plaintiff in the originating summons action) sought to restrain the defendant in the present writ action (being the sole defendant in the originating summons action) from using the titles 'Miss Malaysia Tourism' and 'Miss Tourism International' in a competition organised by the defendant and scheduled to be held on 22 November 2007.

[9] The alleged cause of action in the originating summons action is grounded on the following claims. The first plaintiff, in his originating summons action, claims that he is the first person to organise a local beauty competition called Miss Malaysia Tourism and had successfully organised the

Miss Malaysia Tourism beauty competition since 1994. The first plaintiff further claims that since 1994 the trademark titles of Miss Malaysia Tourism and Miss Tourism International belonged to him; that these titles have been used and have been crowned to the winners of local and international beauty pageant competitions organised by him; that since then the titles of Miss Malaysia Tourism and Miss Tourism International have been used every year in competitions organised by the first plaintiff; and that the title Miss Tourism International has been franchised by him to organisers of beauty pageants in more than 60 countries.

[10] This originating summons action was heard by the same learned judge who has now heard and ruled on the respondent's/defendant's O 18 r 19 application (the subject-matter of the present appeal). The learned judge had dismissed the originating summons action of the first plaintiff with costs on 7 December 2007.

[11] Now, upon comparing the prayers in the statement of claim of the present writ action with the prayers in the previous originating summons action, we note that the prayers are substantially the same. The prayers in the present writ action read:

(a) A Declaration that the First Plaintiff is the exclusive rightful owner of the trademark and/or trade name and the right of usage and/or conferment of the title *Miss Malaysia Tourism*;

(b) A Declaration that the First Plaintiff is the exclusive rightful owner of the trademark and/or trade name and the right of usage and/or conferment of the title *Miss Tourism International*;

(c) An injunction to restrain the Defendant whether by himself, by his officers servants, or agents, or any of them or otherwise howsoever from doing the acts that is to say, passing off or attempting to pass off the [First] Plaintiff's title with words *Miss Malaysia Tourism* or *Miss Tourism Malaysia* and any title that is similar in words which would confuse and/or mislead the public into perceiving it to be the [First] Plaintiff's title of *Miss Malaysia Tourism*;

(d) An injunction to restrain the Defendant whether by himself, by his officers servants, or agents, or any of them or otherwise howsoever from doing the acts that is to say, passing off or attempting to pass off the [First] Plaintiff's title with words *Miss Tourism International* and any title inclusive *Miss Tourism Pageant* that is similar in words which confuses and/or mislead the public into perceiving it to be the [First] Plaintiff's title of *Miss Tourism International*;

[12] The first prayer in the originating summons reads:

(1) An injunction to restrain the Defendant, his employees, agents, and officers or anyone of them from using and/or adopting the title of *Miss Malaysia Tourism*

> and *Miss Tourism International* and/or whatsoever title that are the same and/or similar with the title of *Miss Malaysia Tourism* and *Miss Tourism International* in the Miss Tourism Pageant 2007 competition organized by the Defendant from 22.11.2007 with announcement of the winner on the grand final to be held on 07.12.2007

[13] Of course, we do note that in the statement of claim of the present writ action there are additional prayers, namely, prayers (a) and (b) seeking declarations as to the ownership of the titles (Miss Malaysia Tourism and Miss Tourism International). But the subject matter of these prayers seeking the declarations are the same as those of the subsequent two prayers (ie prayers (c) and (d)) seeking the injunctions, namely, the titles Miss Malaysia Tourism and Miss Tourism International. We are in agreement with the learned High Court judge that the first plaintiff could and should have sought these declarations pertaining to the ownership of the titles in his earlier originating summons action.

[14] However, it is submitted by learned counsel for the appellants/plaintiffs that the issue pertaining to ownership of the titles (Miss Tourism Malaysia and Miss Tourism International) could not have been ventilated at the originating summons action as the relief sought there was merely for an injunction. But the pertinent question is this: why were the prayers for declarations (which are now sought in the present writ action) not sought in the earlier originating summons action? After all the basic position taken by the first plaintiff in the present writ action is the same as that taken by him in the previous originating summons action: that the titles belong to him. When the issues could have been raised in the earlier originating summons proceeding, they ought to have been so raised by the first plaintiff in that earlier proceeding. By reason of the principle of res judicata the first plaintiff could no longer raise the issues now in the present writ action. The principle is clearly laid down in *Henderson v Henderson* (1843) 67 ER 313 where Wigram VC said (at p 319):

> [Where] a given matter becomes the subject of litigation in, and of adjudication by, a court of competent jurisdiction, the court requires the parties to that litigation to bring forward their whole case, and will not (except under special circumstances) permit the same parties to open the same subject of litigation in respect of matter which might have been brought forward as part of the subject in contest, but which was not brought forward, only because they have, from negligence, inadvertence, or even accident, omitted part of their case. The plea of res judicata applies, except in special cases, not only to points upon which the court was actually required by the parties to form an opinion and pronounce a judgment, but to every point which properly belonged to the subject of litigation, and which the parties, exercising reasonable diligence, might have brought forward at the time.

[15] This principle have been applied from time to time by our courts (see

for example *Government of Malaysia v Dato Chong Kok Lim* [1973] 2 MLJ 74, *Tenaga Nasional Bhd v Prorak Sdn Bhd & Anor* [2000] 1 MLJ 479; [2000] 1 CLJ 553 and *Asia Commercial Finance (M) Bhd v Kawal Teliti Sdn Bhd* [1995] 3 MLJ 189; [1995] 3 CLJ 783).

[16] Further, we observe that the averments in the supporting affidavit of the previous originating summons action and the averments in the statement of claim of the present writ action are substantially the same. The averments relate to the same facts. The gist of the contents of the affidavit and the statement of claim can be summarised as follows: that the first plaintiff has been using the trademarks 'Miss Malaysia Tourism' and 'Miss Tourism International' since 1994; that he has organised local and international beauty pageants since 1994–2005/2006; that the trademarks 'Miss Malaysia Tourism' and 'Miss Tourism International' belong to the first plaintiff; and that the title 'Miss Tourism International' has been franchised by him to organisers of beauty pageants in more than 60 countries.

[17] The averments in the affidavit and the statement of claim raise the same issues. They refer to the usage of the title of Miss Tourism Malaysia by the defendant without the first plaintiff's permission, as discovered by the first plaintiff in an advertisement in the 29 June 2005 issue of *The Star* newspaper showing one Goey Yuthing wearing a sash carrying the words 'Miss Tourism Malaysia'.

[18] The averments in the affidavit and statement of claim also refer to the holding of the Miss Tourism Pageant 2007 by the defendant commencing 22 November 2007 with the grand finals on 7 December 2007; and the averments make the allegation that the defendant in holding the event had committed an act of passing off the first plaintiff's trademark titles of 'Miss Malaysia Tourism' and 'Miss Tourism International'.

[19] In opposing the defendant's O 18 r 19 application, the plaintiffs' counsel submitted that the injunction application vide the originating summons action is 'interlocutory' in nature, and that the application 'was merely to preserve the status quo until the case can be tried' (to quote the words of learned counsel). Since the originating summons was 'interlocutory' in nature, therefore, the decision of the court in the originating summons action was also 'interlocutory' in nature. And therefore the principle of res judicata does not apply to the present writ action. With respect, this argument cannot be factually true or legally right. Firstly, an originating summons is an originating process like a writ action or an originating motion or a petition; and it could not be utilised as an interlocutory application. It is not an interlocutory application like a summons in chambers or a notice of motion.

[20] Secondly, we note that there is nothing in the prayers of the originating summons that states that the injunction sought was interlocutory in nature pending disposal of a main action. Indeed neither the prayers nor the supporting affidavit make any mention of a pending action. It could not have been that the plaintiffs, when filing the originating summons, had in mind their present writ action. This is because the present writ action was not in existence yet at the time of the filing of the originating summons action. The originating summons was filed on 22 November 2007 whereas the present writ action was only filed on 28 December 2007, that is to say filed more than a month later. In any event, to reiterate what has been said earlier, the originating summons makes no mention of any pending or intended writ action. What the first plaintiff had in mind in filing the earlier originating summons action was merely to restrain the defendant from using the title Miss Malaysia Tourism and Miss Tourism International in the Miss Tourism Pageant 2007 organised by the defendant and scheduled to be held on 22 November 2007. Hence, with respect, it is misleading for learned counsel for the plaintiffs to say in his written submission that the originating summons was 'to preserve the status quo until the case can be tried'. What 'case' to 'be tried' is counsel having in mind? This is not made clear either in the originating summons or in the supporting affidavit or in the submissions.

[21] Thirdly, the first plaintiff, after having filed the originating summons, had on the very same day filed a summons in chambers. The summons in chambers unfortunately is not in the appeal record. However, according to the notes of proceedings and the grounds of judgment of the learned judge, the summons in chambers contained the same prayer as in the originating summons (that is to restrain the defendant from using the titles 'Miss Malaysia Tourism' and 'Miss Tourism International' in the Miss Tourism Pageant 2007). Clearly the summons in chambers was meant to seek an interlocutory injunction — an interlocutory injunction pending the hearing of the originating summons action. If this was — and, indeed, it must be so since a summons in chambers is an interlocutory application — then the first plaintiff could not have intended the originating summons to be interlocutory in nature as well. Legally and procedurally it does not make sense for both the main action (ie the originating summons) and the summons in chambers to be interlocutory in nature.

Appeal dismissed.

Reported by Andrew Christopher Simon